Data Sources

Federal Funds Data. The principal data source we use to indicate geographic dispersion of program funding is the Consolidated Federal Funds Reports data from the U.S. Department of Commerce, Bureau of the Census. We usually refer to these data as the Federal Funds data. The Census Bureau collects these data annually from each Federal department or agency. We aggregated the latest available data (fiscal year 1998) to the county, State, region, and national levels for each program. (Unless otherwise specified, references to years are fiscal years.) We have also computed per capita estimates by type of nonmetro county and type of State (the typologies are explained later in this appendix.) These per capita estimates form the basis for our information, indicating the types of rural places that are particularly affected by each program.

The Census data for 1998 covered 1,168 individual programs, but not all of these programs had reliable data at the county level. Each program has individual characteristics that affect the way the data show geographic patterns. For example, funds for many programs go directly to State capitals or regional centers that redistribute the money or program benefits to surrounding areas. Examples include block grant programs and some procurement programs that involve a substantial degree of subcontracting. Census screens the data to identify such programs, and we have added our own screening, which separates out those programs that allocate 25 percent or more of their funds to State capitals. We ended up with 821 programs that we believe are fairly accurate to the county level for 1998. For the screened-out programs, we believe it is only meaningful to indicate geographic variations among States but not among counties. Thus, for some of the programs, we provide county maps and statistics, while for others we rely on State maps and statistics. Appendix table 1 lists the programs covered in this report, including the percentage of funds going to nonmetro counties (for programs deemed accurate to the county level) and the percentage of funds going to rural States (for all programs, including programs not deemed accurate to the county level). Rural States are defined later in this article where we discuss ERS's State types.

The benefits of Federal programs do not all go to the places that receive funds. For example, money spent on national parks benefits all who visit the parks and not just those who live nearby. USDA's money going to county extension offices may be expected to provide services to surrounding multicounty areas. Similarly, rural electric loans go to borrowers who may be located in one county but provide electric service to a much wider, multicounty area. Such spillover benefits are present in almost all Federal programs and are not reflected in the Federal Funds data. In addition, different programs affect communities in different ways and have different multiplier effects on local income, employment, and community well-being. Thus, even if the reported funding dispersion is considered to be an accurate depiction of where the funds are spent, care is required when interpreting the data as program effects.

Federal Funds data may represent either actual program expenditures or obligations, depending on the form of the data provided to Census. Direct loans and loan guarantees are reported according to the volume of loans obligated, and do not take into account interest receipts or principal payments. Consequently, these data do not always correspond to program totals reported in government budget documents, such as budget authority, outlays, or obligations (see definitions).

ERS' Federal Funds Data—sorted by type of county and State and used to produce tables, charts, and maps for this publication—are available for sale on CD-Rom, as one of ERS's Standard Data Products. These data are also available on the ERS web site. *[Faqir Singh Bagi, 202-694-5337, fsbagi@ers.usda.gov; Samuel Calhoun, 202-694-5339, scalhoun@ers.usda.gov; and Rick Reeder, 202-694-5360, rreeder@ers.usda.gov]*

Employment data. Data on nonmetro employment and unemployment reported in this issue come from four sources. The monthly Current Population Survey (CPS), conducted by the Bureau of the Census for the Bureau of Labor Statistics, U.S. Department of Labor, provides detailed information on the labor force, employment, unemployment, and demographic characteristics of the metro and nonmetro population. CPS derives estimates based on interviews of a national sample of about 47,000 households that are representative of the U.S. civilian noninstitutional population 16 years of age and over. Labor force information is based on respondents' activity during 1 week each month.

BLS county-level employment data, the Local Area Unemployment Statistics (LAUS), are taken from unemployment insurance claims and State surveys of established payrolls which are then benchmarked to State totals from the CPS. The BLS data series provides monthly estimates of labor force, employment, and unemployment for individual counties.

BEA employment data, unlike the household data collected by the CPS and CLS, provide establishment data on the number of jobs rather than the number of workers. The BEA data are taken primarily from administrative reports filed by employers covered under unemployment insurance laws and from information from the Internal Revenue Service and the Social Security Administration. Thus, jobs and earnings for these jobs are counted at the place of work and are based on a virtual universal count rather than a sample. The BEA data provide detailed information on the number of jobs and amount of earnings by industry at the county level. A shortcoming of the BEA data is the 2-year lag between when they are collected and when they are available for analysis.

The U.S. Bureau of the Census publishes an annual series, the County Business Patterns, that provides estimates of employment, establishments, and payroll by industry for each U.S. county. These data are the most comprehensive source of information on geographic patterns of employment for detailed industries. The Census Bureau does not publish data that could disclose information about the operations of individual companies or establishments. To account for these proprietary data, ERS uses an enhanced County Business Patterns file (acquired from a private vendor) that imputes values for the suppressed data. Employees totally exempt from the Federal Insurance Contribution Act (farm operators and other self-employed persons, hired farm workers, most government employees, railroad workers, and domestic service workers) are not counted by County Business Patterns.

Each of these data sets has its advantages and disadvantages. The CPS furnishes detailed employment, unemployment, and demographic data for metro and nonmetro portions of the Nation. The LAUS provides less detailed employment data than CPS, but offers very current employment and unemployment information at the county level. The BEA provides estimates of the number of jobs and earnings by industry for individual county areas, while the County Business Patterns data provide detailed industry information by county. While these data sources are likely to provide different estimates of employment conditions at any point in time, they generally indicate similar trends over time.

Textile and apparel export and import data. The source of official U.S. trade data is the Bureau of the Census. Data published by the Bureau of the Census are gathered by the Customs Service based on exporters' and importers' declarations. The data used in this article are summations of Census data on individual products published by the Department of Commerce's Office of Textiles and Apparel.

Trade assistance program data. Data on the Trade Adjustment Assistance Program certifications are from Employment and Training Administration, U.S. Department of Labor. Data are for certifications dated January 1994-September 1999, and the data were prepared by ETA on September 21, 1999. Data on the NAFTA-Transitional Adjustment Assistance Program certifications are from Employment and Training Administration, U.S. Department of Labor. Data are for certifications dated January 1994-January 1999, and the data were prepared by ETA on January 29, 1999. Because the certification process takes time, and also because there are amendments and reconsiderations to applications, the number of certifications is dynamic. As of April 14, 2000, Department of Labor issued certifications for 6,593 worker groups under TAA, and 1,433 worker groups under NAFTA-TAA.

Budget Data. We obtained information on regulatory changes and recent changes in program funding levels, such as the level and change in funding from 1999 to 2000, from various sources, including *Congressional Quarterly Weekly Report*, the President's Fiscal Year 2001 Budget, the 2001 budget summaries provided by major government agencies, congressional legislation, conference reports, and legislative summaries, and from the most recent Catalogue of Federal Domestic Assistance. In some cases, we contacted budget officials by phone to obtain information.

Population Data. Per capita funding amounts were estimated using 1998 county population estimates from the Bureau of the Census.

Definitions

County Typologies. Classification systems are developed and periodically revised by ERS to group counties and States by economic and policy-relevant characteristics. The county typology codes used in this issue are those described in Peggy J. Cook and Karen L. Mizer, *The Revised ERS County Typology: An Overview*, RDRR-89, U.S. Department of Agriculture, Economic Research Service, Dec. 1994. The State typology codes were first developed in Elliot J. Dubin, *Geographic Distribution of Federal Funds in 1985*, Staff Report AGES89-7, U.S. Department of Agriculture, Economic Research Service, March 1989, and were revised for the 1996 Federal Programs issue of *RCaT*.

County Economic Types (mutually exclusive; a county may fall into only one economic type):

Farming-dependent—Farming contributed a weighted annual average of 20 percent or more of total labor and proprietor income over 1987-89.

Mining-dependent—Mining contributed a weighted annual average of 15 percent or more of total labor and proprietor income over 1987-89.

Manufacturing-dependent—Manufacturing contributed a weighted annual average of 30 percent or more of total labor and proprietor income over 1987-89.

Government-dependent—Federal, State, and local government activities contributed a weighted annual average of 25 percent or more of total labor and proprietor income over 1987-89.

Service-dependent—Service activities (private and personal services, agricultural services, wholesale and retail trade, finance and insurance, real estate, transportation, and public utilities) contributed a weighted annual average of 50 percent or more of total labor and proprietor income over 1987-89.

Nonspecialized—Counties not classified as a specialized economic type over 1987-89.

County Policy Types (overlapping; a county may fall into any number of these types):

Retirement-destination—The population age 60 years and older in 1990 increased by 15 percent or more during 1980-90 through inmovement of people.

Federal lands—Federally owned lands made up 30 percent or more of a county's land in 1987.

Commuting—Workers age 16 and over commuting to jobs outside their county of residence were 40 percent or more of all the county's workers in 1990.

Persistent-poverty—Persons with poverty-level income in the preceding year were 20 percent or more of total population in each of 4 years: 1960, 1970, 1980, and 1990.

Transfer-dependent—Income from transfer payments contributed a weighted annual average of 25 percent or more of total personal income over 1987-89.

State Types (the first three types are mutually exclusive—a State may fall into only one category; the remainder are overlapping)

Because many Federal programs do not have accurate county-level data, we developed a State typology to assist in differentiating among types of States and their funding levels. First, we categorized States into three groups (rural, urban, and other) based on the percentage of a State's population residing in urban parts of metro areas. We defined four other types of States: farming-dependent, persistent-poverty, retirement-destination, and Federal lands. In each case, we used the same kinds of measures that were used to construct ERS's county typologies. However, the cutoffs were lowered because States have more internal socioeconomic diversity than most counties.

ERS's State Types

Rural—In 1993, 45 percent or less of the State's population resided in urban portions of metro areas. These States include Alaska, Arkansas, Idaho, Iowa, Kentucky, Maine, Mississippi, Montana, Nebraska, New Hampshire, North Carolina, North Dakota, South Dakota, Vermont, West Virginia, and Wyoming.

Urban—In 1993, 70 percent or more of the State's population resided in urban portions of metro areas. These States include Arizona, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Hawaii, Illinois, Maryland, Massachusetts, Nevada, New Jersey, New York, Rhode Island, Texas, and Utah.

Other (neither urban nor rural)—More than 45 percent but less than 70 percent of the State's population in 1993 resided in urban portions of metro areas. These States include Alabama, Georgia, Indiana, Kansas, Louisiana, Michigan, Minnesota, Missouri, New Mexico, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, Tennessee, Virginia, Washington, and Wisconsin.

Farming-dependent—In 1991-93, 4 percent or more of total labor and proprietor income came from farm labor and proprietor income. These States include Arkansas, Idaho, Iowa, Kansas, Montana, Nebraska, North Dakota, South Dakota, and Wyoming.

Persistent-poverty—Fifteen percent or more of a State's persons had income below poverty in 1960, 1970, 1980, and 1990. These States include Alabama, Alaska, Arkansas, District of Columbia, Georgia, Kentucky, Louisiana, Mississippi, New Mexico, South Carolina, South Dakota, Tennessee, and West Virginia.

Retirement-destination—A State's aged (over 60) population in 1990 increased by 5 percent or more due to net inmigration from 1980 to 1990. These States include Arizona, Florida, Hawaii, Idaho, Nevada, New Mexico, North Carolina, Oregon, South Carolina, Utah, and Washington.

Federal lands—The Federal Government owns 28 percent or more of total land in the State. These States include Alaska, Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

These State types were illustrated in figures 1-5 of the 1996 Federal Programs *RCaT*.

Regions

Census Regions—We used the Census-defined regions as follows:

Northeast: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

Midwest: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

South: Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

West: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

In most cases, we used only the nonmetro portion of these regions when referring to county-level data variations.

Other Definitions

Metro and Nonmetro Areas

Metro areas. Metropolitan Statistical Areas (MSA's), as defined by the Office of Management and Budget, include core counties containing a city of 50,000 or more people or have an urbanized area of 50,000 or more and a total area population of at least 100,000. Additional contiguous counties are included in the MSA if they are economically integrated with the core county or counties. For most data sources, these designations are based on population and commuting data from the 1990 Census of Population. The Current Population Survey data through 1993 categorize counties as metro and nonmetro based on population and commuting data from the 1980 Census. Throughout *Rural Conditions and Trends*, "urban" and "metro" have been used interchangeably to refer to people and places within MSA's.

Nonmetro areas. These are counties outside metro area boundaries. In *Rural Conditions and Trends*, "rural" and "nonmetro" are used interchangeably to refer to people and places outside of MSA's.

Rural-Urban Continuum County Codes

Classification system developed by ERS to group counties by the size of their urban population and the adjacency to metropolitan areas. (See Margaret A. Butler and Calvin L. Beale, *Rural-Urban Continuum Codes for Metro and Nonmetro Counties, 1993*, AGES 9428, U.S. Department of Agriculture, Economic Research Service, Sept. 1994).

Metro counties—

Core: Central counties of metro areas of 1 million population or more.

Fringe: Fringe counties of metro areas of 1 million population or more.

Medium: Counties in metro areas of 250,000 to 1 million population.

Small: Counties in metro areas of less than 250,000 population.

Nonmetro counties—-

Urban: Urban population of 20,000 or more.

Less urban: Urban population of 2,500 to 19,999.

Rural: Completely rural or less than 2,500 urban population.

Nonmetro adjacent counties—

Nonmetro counties physically adjacent to one or more metro areas and having at least 2 percent of the employment labor force in the county commuting to the central metro county. Nonmetro counties that do not meet these conditions are nonadjacent.

Budgetary Terms

Budget authority. The authority becoming available during the year to enter into obligations that will result in immediate or future outlays of government funds. In some cases, budget authority can be carried over to following years. It can take the form of appropriations, which permit obligations to be incurred and payments to be made, or authority to borrow, or authority to contract in advance of separate appropriations. Supplemental appropriations provide budget authority when the need for funds is too urgent to be postponed until the next annual appropriations act.

Obligations incurred. Once budget authority is enacted, Government agencies may incur obligations to make payments. These include current liabilities for salaries, wages, and interests; contracts for purchase of supplies and equipment, construction, and the acquisition of office space, buildings, and land. In this report, when reporting obligations for credit programs we report the total value of the loans obligated or guaranteed.

Outlays. This is the measure of government spending. Outlays are payments to liquidate obligations (other than repayment of debt), net of refunds and offsetting collections.

Direct loan. This is the disbursement of funds by the Government to a non-Federal borrower under a contract that requires repayment, with or without interest.

Loan guarantee. This is any guarantee, insurance, or other pledge with respect to the payment of all or a part of the principal or interest on any debt obligation of a non-Federal borrower to a non-Federal lender.

Fiscal year. A fiscal year is the U.S. Government's accounting period. It begins October 1 and ends September 30, and is designated by the calendar year in which it ends.

Industries

Textiles and Apparel—In the article on trade liberalization, "textiles" comprise a vast array of processed and semi-processed products. These include yarn, thread, fabric, and even home furnishings and floor coverings, such as blankets, curtains, and rugs. In contrast, "apparel" items include tops, bottoms, suits, and sweaters, as well as other items normally considered as clothing. These items are measured in "raw fiber equivalent" units, which estimate the actual poundage of raw fiber contained in each product. This allows meaningful comparisons between and among different fibers and product categories.

Food processing—The Standard Industrial Classification group Food and Kindred Products includes establishments manufacturing or processing foods and beverages for human consumption, including certain related products such as ice, chewing gum, vegetable and animal fats and oils, and prepared feeds for animals and fowls. Chemical sweeteners are not included. The industry groups are: meat products; dairy products; canned, frozen, and preserved fruits, vegetables; grain mill products; bakery products; sugar and confectionery products; fats and oils; beverages; and miscellaneous food preparations and kindred.

Tobacco products—The Standard Industrial Classification group Tobacco Products includes establishments engaged in manufacturing cigarettes, cigars, smoking and chewing tobacco, snuff, and reconstituted tobacco, and in stemming and redrying tobacco. Included is the manufacture of nontobacco cigarettes, but not included is the manufacture of insecticides from tobacco byproducts. The industry groups are: cigarettes; cigars; chewing and smoking tobacco and snuff; and tobacco stemming and redrying.